

SECOND REGULAR SESSION  
[P E R F E C T E D]  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 896**  
**97TH GENERAL ASSEMBLY**

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Reported from the Committee on Jobs, Economic Development and Local Government, April 10, 2014, with recommendation that the Senate Committee Substitute do pass.

Senate Committee Substitute for Senate Bill No. 896, adopted April 16, 2014.

Taken up for Perfection April 16, 2014. Bill declared Perfected and Ordered Printed, as amended.

TERRY L. SPIELER, Secretary.

6124S.02P

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**AN ACT**

To amend chapters 67 and 94, RSMo, by adding thereto three new sections relating to taxes imposed by certain counties.

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*Be it enacted by the General Assembly of the State of Missouri, as follows:*

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Section A. Chapters 67 and 94, RSMo, are amended by adding thereto  
2 three new sections, to be known as sections 67.587, 67.1367, and 94.841, to read  
3 as follows:

**67.587. 1. The governing body of any county of the third  
2 classification without a township form of government and with more  
3 than eighteen thousand but fewer than twenty thousand inhabitants  
4 and with a city of the fourth classification with more than three  
5 thousand but fewer than three thousand seven hundred inhabitants as  
6 the county seat may impose, by order or ordinance, a sales tax on all  
7 retail sales made within the county which are subject to sales tax under  
8 chapter 144. The tax authorized in this section shall be equal to  
9 one-half of one percent, and shall be imposed solely for the purpose of  
10 improving transportation infrastructure in such county. The tax  
11 authorized in this section shall be in addition to all other sales taxes  
12 imposed by law, and shall be stated separately from all other charges  
13 and taxes. The order or ordinance shall not become effective unless the  
14 governing body of the county submits to the voters residing within the  
15 county at a state general, primary, or special election a proposal to  
16 authorize the governing body of the county to impose a tax under this  
17 section.**

18           **2. The ballot of submission for the tax authorized in this section**  
19 **shall be in substantially the following form:**

20           **Shall ..... (insert the name of the political**  
21 **subdivision) impose a sales tax at a rate of ..... (insert rate of**  
22 **percent) percent, solely for the purpose of funding improvements to**  
23 **transportation infrastructure?**

24                               ☐ **YES**                               ☐ **NO**

25 **If you are in favor of the question, place an "X" in the box opposite**  
26 **"YES". If you are opposed to the question, place an "X" in the box**  
27 **opposite "NO".**

28 **If a majority of the votes cast on the question by the qualified voters**  
29 **voting thereon are in favor of the question, then the tax shall become**  
30 **effective on the first day of the second calendar quarter immediately**  
31 **following notification to the department of revenue. If a majority of the**  
32 **votes cast on the question by the qualified voters voting thereon are**  
33 **opposed to the question, then the tax shall not become effective unless**  
34 **and until the question is resubmitted under this section to the qualified**  
35 **voters and such question is approved by a majority of the qualified**  
36 **voters voting on the question.**

37           **3. All revenue collected under this section by the director of the**  
38 **department of revenue on behalf of any county, except for one percent**  
39 **for the cost of collection which shall be deposited in the state's general**  
40 **revenue fund, shall be deposited in a special trust fund and shall be**  
41 **used solely for the designated purposes. Moneys in the fund shall not**  
42 **be deemed to be state funds, and shall not be commingled with any**  
43 **funds of the state. The director may make refunds from the amounts**  
44 **in the trust fund and credited to the county for erroneous payments**  
45 **and overpayments made, and may redeem dishonored checks and drafts**  
46 **deposited to the credit of such county. Any funds in the special trust**  
47 **fund which are not needed for current expenditures shall be invested**  
48 **in the same manner as other funds are invested. Any interest and**  
49 **moneys earned on such investments shall be credited to the fund.**

50           **4. On or after the effective date of the tax, the director of**  
51 **revenue shall be responsible for the administration, collection,**  
52 **enforcement, and operation of the tax, and sections 32.085 and 32.087**  
53 **shall apply. In order to permit sellers required to collect and report**

54 the sales tax to collect the amount required to be reported and  
55 remitted, but not to change the requirements of reporting or remitting  
56 the tax, or to serve as a levy of the tax, and in order to avoid fractions  
57 of pennies, the governing body of the county may authorize the use of  
58 a bracket system similar to that authorized in section 144.285, and  
59 notwithstanding the provisions of that section, this new bracket system  
60 shall be used where this tax is imposed and shall apply to all taxable  
61 transactions. Beginning with the effective date of the tax, every  
62 retailer in the county shall add the sales tax to the sale price, and this  
63 tax shall be a debt of the purchaser to the retailer until paid, and shall  
64 be recoverable at law in the same manner as the purchase price. For  
65 purposes of this section, all retail sales shall be deemed to be  
66 consummated at the place of business of the retailer.

67       5. All applicable provisions in sections 144.010 to 144.525,  
68 governing the state sales tax, and section 32.057, the uniform  
69 confidentiality provision, shall apply to the collection of the tax, and  
70 all exemptions granted to agencies of government, organizations, and  
71 persons under sections 144.010 to 144.525 are hereby made applicable  
72 to the imposition and collection of the tax. The same sales tax permit,  
73 exemption certificate, and retail certificate required by sections 144.010  
74 to 144.525 for the administration and collection of the state sales tax  
75 shall satisfy the requirements of this section, and no additional permit  
76 or exemption certificate or retail certificate shall be required; except  
77 that, the director of revenue may prescribe a form of exemption  
78 certificate for an exemption from the tax. All discounts allowed the  
79 retailer under the state sales tax for the collection of and for payment  
80 of taxes are hereby allowed and made applicable to the tax. The  
81 penalties for violations provided in section 32.057 and sections 144.010  
82 to 144.525 are hereby made applicable to violations of this section. If  
83 any person is delinquent in the payment of the amount required to be  
84 paid under this section, or in the event a determination has been made  
85 against the person for taxes and penalty under this section, the  
86 limitation for bringing suit for the collection of the delinquent tax and  
87 penalty shall be the same as that provided in sections 144.010 to  
88 144.525.

89       6. The governing body of any county that has adopted the sales  
90 tax authorized in this section may submit the question of repeal of the

91 tax to the voters on any date available for elections for the county and  
92 shall submit such question at least every four years. The ballot of  
93 submission shall be in substantially the following form:

94        Shall ..... (insert the name of the political subdivision)  
95 repeal the sales tax imposed at a rate of ..... (insert rate of percent)  
96 percent for the purpose of funding improvements to transportation  
97 infrastructure?

98                                ☐ YES                                ☐ NO

99 If you are in favor of the question, place an "X" in the box opposite  
100 "YES". If you are opposed to the question, place an "X" in the box  
101 opposite "NO".

102 If a majority of the votes cast on the question by the qualified voters  
103 voting thereon are in favor of repeal, that repeal shall become effective  
104 on December thirty-first of the calendar year in which such repeal was  
105 approved.

106 If a majority of the votes cast on the question by the qualified voters  
107 voting thereon are opposed to the repeal, then the sales tax authorized  
108 in this section shall remain effective until the question is resubmitted  
109 under this section to the qualified voters and the repeal is approved by  
110 a majority of the qualified voters voting on the question.

111        7. If the tax is repealed or terminated by any means, all funds  
112 remaining in the special trust fund shall continue to be used solely for  
113 the designated purposes, and the county shall notify the director of the  
114 department of revenue of the action at least thirty days before the  
115 effective date of the repeal and the director may order retention in the  
116 trust fund, for a period of one year, of two percent of the amount  
117 collected after receipt of such notice to cover possible refunds or  
118 overpayment of the tax and to redeem dishonored checks and drafts  
119 deposited to the credit of such accounts. After one year has elapsed  
120 after the effective date of abolition of the tax in such county, the  
121 director shall remit the balance in the account to the county and close  
122 the account of that county. The director shall notify each county of  
123 each instance of any amount refunded or any check redeemed from  
124 receipts due the county.

67.1367. 1. The governing body of any county of the third  
2 classification without a township form of government and with more

3 than eighteen thousand but fewer than twenty thousand inhabitants  
4 and with a city of the fourth classification with more than eight  
5 thousand but fewer than nine thousand inhabitants as the county seat  
6 may impose a tax on the charges for all sleeping rooms paid by the  
7 transient guests of hotels or motels situated in the county or a portion  
8 thereof, which shall be no more than six percent per occupied room per  
9 night, except that such tax shall not become effective unless the  
10 governing body of the county submits to the voters of the county at a  
11 state general or primary election, a proposal to authorize the governing  
12 body of the county to impose a tax pursuant to this section. The tax  
13 authorized by this section shall be in addition to the charge for the  
14 sleeping room and shall be in addition to any and all taxes imposed by  
15 law and the proceeds of such tax shall be used by the county solely for  
16 the promotion of tourism. Such tax shall be stated separately from all  
17 other charges and taxes.

18 2. The ballot of submission for the tax authorized in this section  
19 shall be in substantially the following form:

20 Shall ..... (insert the name of the county) impose a tax on the  
21 charges for all sleeping rooms paid by the transient guests of hotels  
22 and motels situated in ..... (name of county) at a rate of .....  
23 (insert rate of percent) percent for the sole purpose of promoting  
24 tourism?

25 ☐ YES ☐ NO

26 3. As used in this section, "transient guests" means a person or  
27 persons who occupy a room or rooms in a hotel or motel for thirty-one  
28 days or less during any calendar quarter.

94.841. 1. The governing body of any special charter city with  
2 more than twenty-nine thousand but fewer than thirty-two thousand  
3 inhabitants may impose, by order or ordinance, a tax on the charges for  
4 all sleeping rooms paid by the transient guests of hotels, motels, and  
5 bed and breakfast inns situated in the city or a portion thereof. The  
6 tax shall be not more than six percent per occupied room per night, and  
7 shall be imposed solely for the purpose of promoting tourism, cultural  
8 activities, business, and economic development, and for constructing  
9 related infrastructure and improvements. The tax authorized in this  
10 section shall be in addition to the charge for the sleeping room and all

11 other taxes imposed by law, and shall be stated separately from all  
12 other charges and taxes.

13       2. (1) No such order or ordinance shall become effective unless  
14 the governing body of the city submits to the voters of the city at a  
15 state general, primary, or special election a proposal to authorize the  
16 governing body of the city to impose a tax under this section. The  
17 ballot language shall be in substantially the following form:

18       "Shall the City of ..... (insert city name) impose a tax on the  
19 charges for all sleeping rooms paid by the transient guests of hotels,  
20 motels, and bed and breakfast inns in the city at a rate not to exceed  
21 six percent per occupied room per night for the sole purpose of  
22 promoting tourism, cultural activities, business, and economic  
23 development, and for constructing related infrastructure and  
24 improvements?".

25       (2) If a majority of the votes cast on the question by the qualified  
26 voters voting thereon are in favor of the question, then the tax shall  
27 become effective on the first day of the second calendar quarter after  
28 the director of revenue receives notice of the adoption of the tax. If a  
29 majority of the votes cast on the question by the qualified voters voting  
30 thereon are opposed to the question, then the tax shall not become  
31 effective unless and until the question is resubmitted under this section  
32 to the qualified voters of the city and such question is approved by a  
33 majority of the qualified voters voting on the question.

34       3. The governing body of any city that has adopted the tax  
35 authorized in this section may submit the question of repeal of the tax  
36 to the voters on any date available for elections for the city. If a  
37 majority of the votes cast on the proposal are in favor of the repeal,  
38 that repeal shall become effective on December thirty-first of the  
39 calendar year in which such repeal was approved. If a majority of the  
40 votes cast on the question by the qualified voters voting thereon are  
41 opposed to the repeal, then the tax authorized in this section shall  
42 remain effective until the question is resubmitted under this section to  
43 the qualified voters of the city, and the repeal is approved by a  
44 majority of the qualified voters voting on the question.

45       4. Whenever the governing body of any city that has adopted the  
46 tax authorized in this section receives a petition, signed by a number  
47 of registered voters of the city equal to at least ten percent of the

48 number of registered voters of the city voting in the last gubernatorial  
49 election, calling for an election to repeal the tax imposed under this  
50 section, the governing body shall submit to the voters of the city a  
51 proposal to repeal the tax. If a majority of the votes cast on the  
52 question by the qualified voters voting thereon are in favor of the  
53 repeal, that repeal shall become effective on December thirty-first of  
54 the calendar year in which such repeal was approved. If a majority of  
55 the votes cast on the question by the qualified voters voting thereon  
56 are opposed to the repeal, then the tax shall remain effective until the  
57 question is resubmitted under this section to the qualified voters of the  
58 city and the repeal is approved by a majority of the qualified voters  
59 voting on the question.

60 5. As used in this section, "transient guests" means a person or  
61 persons who occupy a room or rooms in a hotel or motel for thirty-one  
62 days or less during any calendar quarter.

63 6. Notwithstanding any other provision of law to the contrary,  
64 the tax authorized in this section shall not be imposed by the following  
65 cities or counties:

66 (1) Any city or county already imposing a tax solely on the  
67 charges for sleeping rooms paid by the transient guests of hotels or  
68 motels situated in any such city or county under any other law of this  
69 state; or

70 (2) Any city not already imposing a tax under this section and  
71 that is located in whole or partially within a county that already  
72 imposes a tax solely on the charges for sleeping rooms paid by the  
73 transient guests of hotels or motels situated in such county under any  
74 other law of this state.

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